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PRECONTRACT APPROVAL RECORD (PART ONE)	CONTRACTOR <div style="text-align: center; font-weight: bold;">Itek Corporation</div>		CONTROL NO. <div style="text-align: center; font-weight: bold;">COR-2496</div>	
	CONTRACT NO. <div style="text-align: center; font-weight: bold;">BB-450</div>		AMENDMENT NO. <div style="text-align: center; font-weight: bold;">6</div>	
Copy 2 of 3 <div style="text-align: right; font-weight: bold;">9 June 1964</div>				
THIS CONTRACT APPROVAL RECORD CONTAINS A RECOMMENDATION SUBMITTED FOR CONCURRENCE OF THE UNDERSIGNED. CONCURRENCE IN THIS PRECONTRACT APPROVAL RECORD IS RECOMMENDED BY THE CONTRACTING OFFICER. BY CONCURRENCE, THE CHIEF, BUDGET AND FINANCE BRANCH, SIGNIFIES THAT SUFFICIENT FUNDS ARE AVAILABLE (NOT INCLUDING CONTINGENT & EXPOSURE) AND/OR HAVE BEEN ADJUSTED AS PROVIDED IN THIS DOCUMENT.				
TYPE OF CONTRACT				
<div style="display: flex; flex-wrap: wrap;"> <div style="width: 25%;"><input type="checkbox"/> L.I.</div> <div style="width: 25%;"><input type="checkbox"/> F.P. REDETERM</div> <div style="width: 25%;"><input type="checkbox"/> CPIF</div> <div style="width: 25%;"><input type="checkbox"/> TECH REP</div> <div style="width: 25%;"><input type="checkbox"/> DEFINITIZED</div> <div style="width: 25%;"><input checked="" type="checkbox"/> FPIP</div> <div style="width: 25%;"><input type="checkbox"/> T&M</div> <div style="width: 25%;"><input type="checkbox"/> FISCAL YEAR</div> <div style="width: 25%;"><input type="checkbox"/> F.P.</div> <div style="width: 25%;"><input type="checkbox"/> CPFF</div> <div style="width: 25%;"><input type="checkbox"/> CALL TYPE</div> </div>				
FINANCIAL DATA				
CONTRACT VALUE <div style="font-weight: bold;">\$ 14,397,497</div>		PREVIOUS OBLIGATION - PRIOR FY <div style="font-weight: bold;">\$ 14,156,883</div>		PREVIOUS OBLIGATION - CURRENT FY <div style="font-weight: bold;">\$ - 0 -</div>
OBLIGATION BY THIS DOCUMENT				
DESCRIPTION, PROGRAM OR LINE ITEM		FISCAL YEAR	PROJECT	AMOUNT
CORONA		FY-62	CORONA	\$ 61,059.61
CORONA		FY-64	CORONA	179,554.39
				x761-1057-0175
				x761-0572-0002
TOTAL THIS OBLIGATION				\$ 240,614.00
CONTINGENT UPON AVAILABILITY OF FUNDS				
EXPOSURE LIABILITY				
RATE	DATE	RATE	DATE	
CPFF O/H RATES FIXED THRU		PRICING FORMULA FIXED THRU		
T&M RATES FIXED THRU		TECH REP RATES FIXED THRU		
NEGOTIATOR APPROVAL		CD RECORDATION		
DATE		SIGNED		DATE
6/9/64				6/10/64
PRECONTRACT CONCURRENCES				
UNIT	TYPED NAME	SIGNATURE	DATE	
CONTRACTING OFFICER	<div style="border: 1px solid black; width: 150px; height: 100px; margin: 0 auto;"></div>	SIGNED	6/11/64	
BUDGET & FINANCE		[Signature]	6/12	
GENERAL COUNSEL		[Signature]	6/15	
TECHNICAL REPRESENTATIVE		[Signature]	6/15	
TECHNICAL REPRESENTATIVE	John Parangosky			
CONTRACT SIGNATURE (Contracting Officer)		DATE	DATE MAILED	DATE DISTRIBUTED
		16 JUN 1964		9/9 54

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PRECONTRACT APPROVAL RECORD
(PART TWO)

CONTRACT

BB-450/Amend #6

The services and equipment being procured by this Contract No. _____
BB-450 are in furtherance of the **CORONA**
 Program(s), the nature of which cannot be publicly disclosed for security reasons. The Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on 15 October 1961.

Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

Amendment No. 6 to Contract No. BB-450 has been written to evidence the final price redetermination of the contract. This contract was written on a Fixed Price Incentive basis for Items 1-6, 8 and 9. The balance of Items, 7 and 10-24, were written on a Fixed Price basis; however, the costs of the latter items were not segregated from all other work and in effect were subject to the redetermination. The contract target price for Items 1-6, 8 and 9 was \$12,610,850.00 and the price for Item 7 and 10-24 was \$3,553,086.00 or a total price of \$15,653,936.00.

The AF Auditor conducted an examination of the Contractor's books and records. His Report No. 1232 is included in the contract file. In substance, the Auditor recommended acceptance of \$12,309,907.00 in cost; \$242,515.00 for disallowance and \$135,199.00 for further consideration.

As a result of discussions between the Contractor, Auditor and the Negotiator the following final actual cost and prices were negotiated:

Final Costs

Costs recommended by Auditor	\$12,309,907
Costs reinstated due to Audit Error	49,171
Costs reinstated by CO as allowable	135,199
Costs reinstated by CO for IR&D	40,000
Total Allowable Costs	\$12,534,277
Less Negotiated Costs/Items	2,766,364
10-24	9,767,913

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	9,767,913
Less cost of Item 7	<u>510,000</u>
Total adjusted cost/Item 1-6, 8&9	\$9,257,913

Original Target Cost/Item 1-6, 8&9	\$11,412,535
Less Total Adjusted Cost	<u>9,257,913</u>
Total Costs Savings	\$ 2,154,622

Final Prices

Items 1-6, 8&9 - Total Adjusted Cost -	\$ 9,257,913
Target Profit -	1,198,315

Incentive Profit - 14% of Target Cost -	\$1,597,198
Less Target Profit -	<u>1,198,315</u>
	398,883
Less Penalty on S/I Cameras	<u>10,700</u>

Total Incentive Profit	388,183
Total Price Items 1-6, 8&9	<u>10,844,411</u>
Total Price Item 7	510,000
Total Price Item 10-24	<u>3,043,086</u>

Grant Total Price -	\$14,397,497
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As a result of the foregoing, the total savings to the Government can be computed as follows:

Original Price	\$15,653,936
Final Price	<u>14,397,497</u>
Total Savings	\$ 1,256,439

Contractor has satisfactorily accounted for all deliveries under the contract and property acquired or generated thereunder. Final Patent and Royalty statements are being submitted. Upon receipt of the latter and receipt of a properly certified invoice, it is recommended that the Contractor be paid the final price less any partial or progress payments heretofore made.

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